(d) if any proposal is pending with Government in this regard; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) The lower investment in power transmission and distribution has primarily been on account of constraints in the availability of funds. The enactment of Electricity laws (Amendment) Act, 1998 (Act No. 22 of 1998) and the initiation of the reforms and restructuring in power sector, enabling investment from private sector in the field of transmission and distribution is expected to result in greater investment and efficiency in this area and in reduction of transmission and distribution losses in the states.

(d) and (e) The decision in respect of privatisation of distribution systems has to be taken by the appropriate agencies in the states.

Sale of NHPC to NTPC

874. SHRI DIPANKER MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Announcement of NTPC baffles PSUs" published in "Statesman" dated 17th November, 1999 regarding sale of NHPC to NTPC;

(b) whether Government's attention has also been drawn to the news item 'Government gets NHPC, NTPC to send releases' appearing in "Indian Express" dated 19th November, 1999;

(c) if so, Governments reaction on the satement of Managing Director of NHPC and the press note relased by NHPC;

(d) whether CEA's advice has been sought on the above proposal from technical point of view; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) Yes, Sir.

(d) and (e) The Government of India announced a Policy on Hydro Power Development in August, 1998 with an objective to accelerate the share of hydro power which has been continuously declining over the last three decades. As against an ideal hydel-thermal mix of 40:60, the share has gone down from 44% in 1970 to 25% in 1999. Due to this, the peacking deficit are high, thermal stations have to increasingly back down as they operate under base load condition and the grid works under stress. The policy has therefore, laid emphasis on timely completion of the on-going projects, taking up of new hydro-electric projects, survey and investigation of the new green field sites and preparation of detailed project reports.

In order to provide an impetus for accelerated hydro power develoment, various options are being considered to leverage the financial strength of NTPC. The NTPC has appointed M/s ICICI as a Consultant to suggest various options for leveraging the financial strength of NTPC. A decision on the modality of leveraging the financial strength of NTPC will be taken after analysing the recommendations of the consultant and after considering the views of the concerned Ministries and Planning Commission.

Sale of NTPC Assets

875. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:
SHRI J. CHITHARANJAN:
SHRI GURUDAS DAS GUPTA:

Will the Minister of POWER be pleased to state:

(a) whether Government's attention has been drawn to the news-